

## REMARKS

Claims 1-29 have been examined. Claims 1-19 stand rejected under Section 102(b) as anticipated by Pare et al US 5,870,723 ("Pare") and claims 20-29 stand rejected under Section 102(b) as anticipated by Hoffman et al US 5,613,012 ("Hoffman").

The rejections are traversed for the reasons set forth more fully below. Claims 1, 9, 10, 20 and 28 are amended. New independent method claim 30 and dependent claim 31 are added. Claims 1-31 remain in the case. Reconsideration is requested.

The Examiner has objected to the Abstract as over-long. A shortened Abstract is submitted herewith. Also, the Specification is amended at page 1, lines 8-9, to properly claim the benefit of the provisional priority application by replacing "priority from" to --the benefit of --; at page 4, line 29 to delete an extraneous "wherein" and at page 7 to spell out the acronym ESN.

The Examiner objected to the Oath/Declaration as missing pages and the Serial Number of this application had not been inserted. On January 10, 2007, the undersigned called the Examiner to point out that Applicant's file copy of the Declaration contained the missing pages. Apparently there was a scanning difficulty at the USPTO because the Examiner said that the paper copy of the Declaration had been found and is complete. The Examiner stated that filing another copy of the Declaration, with the Serial Number of this application inserted will respond fully to this objection. A true copy of the original Declaration, with the Serial Number of this application inserted, is submitted herewith.

The Examiner objected to the originally-filed drawings. Formal drawings are submitted herewith, each sheet labeled "REPLACEMENT SHEET." The content of the formal drawings is identical to the originally filed drawings, copies of which are submitted herewith, lined though and labeled as "ANNOTATED SHEET."

Responsive to the claim objections:

- The phrase "We Claim:" has been added above claim 1 in the foregoing amended claims.
- The term "identicator" -- is defined in original claim 20 and that definition is added to claim 1. An embodiment of the identicator is described in the specification at page 10, lines 4-6 and its operation is further discussed in the specification at page 10, lines 7-17. That term has also been used, and embodiments thereof are described, in others of Applicant's prior patents, incorporated by reference in the specification at page 3, lines 11-17. See for example US 6,154,879, Abstract, Summary at col. 3-4, and Detailed Description at col. 5 line 1-6,

and throughout the Claims. Similarly, see US 6,230,148, Abstract, Summary at col. 4, Detailed Description at col. 6, lines 6-10 and throughout the Claims.

-- The term "identicator" --as used by Applicant --is a descriptive term pertaining to the subject matter of this patent application. Descriptive use of a term does not infringe use of the same term by another as a trademark or business name. See 17 USC Section 1115 (b) (defenses to trademark infringement)

"(4) That the use of the name, term, or device charged to be an infringement is a use, otherwise than as a mark ... of a term or device which is descriptive of and used fairly and in good faith only to describe the goods or services of the party..."

-- Acronyms used in the claims have been amended to spell them out. The acronym used, and their first occurrence in the specification, are:

PDA -- personal digital assistant -- page 1, line 16

ACH -- automated clearing house -- page 4, line 3

ESN -- electronic serial number -- page 7, line 5 (amended to spell out)

ID -- identification -- page 7, line 9; see also page 9, line 24

#### Response to Rejections of Claims

The claims are patentable over Pare and Hoffman, which are commonly assigned together with the present application. Pare is a CIP of Hoffman and contains much of the same disclosure. In both Pare and Hoffman, the same FIG. 3 illustrates the system configuration. FIG. 3 is a diagram of a retail point of sale terminal, a biometric input apparatus and their interconnections. Similar FIGs. 4 are flow charts of the operation of the biometric input apparatus and the terminal for generating a commercial transaction message. This message is sent to the DPC (Pare, col. 10, lines 2-5 states: "The terminal 2 communicates through a modem 18 with the DPC..." and Hoffman col. 38, lines 61-64 says: "An individual using a CST (customer service terminal) starts a session by providing identification by entering their biometric-PIC. The BIA(biometric input apparatus) constructs an Identification Request message, and send it to the DPC for verification."). Similar FIGs. 11 in each patent show further details of embodiments of these processes.

In essence, what is described in both Hoffman and Pare is a system and method that can be described as linear. That is, the customer enters a biometric at the merchant's terminal which is transmitted, along with transaction data, to a DPC (identicator) which searches a database to find a biometric match, associate the matched biometric to a financial account and then relay

authorization for the transaction back to the merchant terminal. The buyer accepts the proposed transaction by entering authentication information including a biometric sample, which are communicated to the merchant's terminal and relayed to the DPC.

In contrast, the claimed invention has several patentable distinctions. The claimed invention is an improvement over Pare and Hoffman, specifically applicable to using a consumer access device such as a cell phone, telephone, personal digital assistant or the like to carry out transactions with a merchant. A transaction can be initiated and agreed to between the consumer and merchant without input of a biometric. The consumer's access device ID code is sent to the merchant, and also it is sent to the identifier. The merchant need never receive the consumer's biometric sample. When the biometric is input it is input to the identifier (or DPC) without having to pass through the merchant's terminal. This is, in essence, a triangular transaction, as shown in all of the drawing figures.

Paraphrasing method claim 1, in a proposal step, a transaction is proposed between the merchant and the consumer via an access device. The access device communicates to the merchant an ID code associated with the access device. After the merchant and consumer have agreed on the transaction, the consumer and identifier establish communications with one another. Then the access device communicates the ID code to the electronic identifier. The identifier then compares a bid biometric sample from the consumer via the access device to a previously registered biometric sample to try to identify the consumer. Upon successful identification of the consumer, information is sent from the identifier to complete the transaction.

The cited portion of the Pare patent (col. 4, lines 15-58) does not describe a method in which there are two access device identification steps of claim 1 -- one to the merchant, the second to the identifier. It also does not describe a method in which the access device transmits the consumer's bid biometric sample from the access device to the identifier after the transaction is agreed to.

Accordingly, claim 1 is patentable over Pare. Dependant claims 2-19 are likewise allowable. The dependent claims are further allowable in their own right based on the differences therein, such as the use of the access device ID code to associate the biometric identification accomplished in the consumer identification step with the transaction information in claim 2, or to associate the consumer information with the transaction in claim 3.

New method claim 30, which is patterned after claim 1 but directed to the steps post-registration, is similarly patentable. Dependent claim 31, based on claims 2 and 3, is likewise patentable.

System claim 20 is likewise patentable over Hoffman. As discussed above, Hoffman and Pare describe generally similar systems. Neither those patents in general, nor the portion of Hoffman cited by the Examiner at col. 6, line 41 to col. 7 line 8, describe a system with three communications means, as recited in amended claim 20. Nor do they describe a system in which, in operation, an access device sends its identification code to the merchant and to the identifier and further sends the biometric sample to the identifier rather than to the merchant.

Accordingly, claim 20 and its dependent claims 21-29 are patentable over Hoffman.

In view of the foregoing amendments and remarks, applicant believes the application should be in condition for allowance. If any questions remain, the Examiner is requested to call the undersigned.

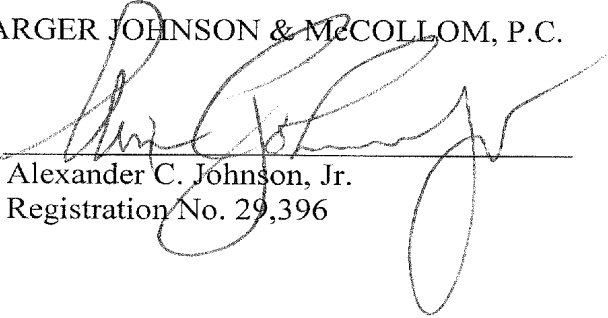
Respectfully submitted,

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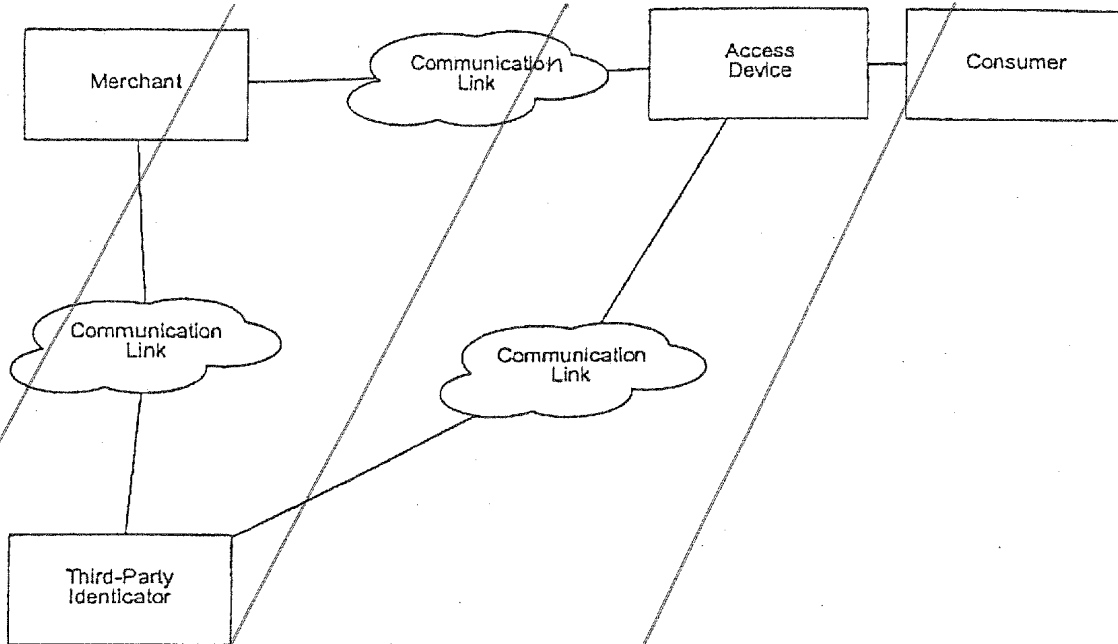
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ANNOTATED SHEET

ST-A24 Figure 1



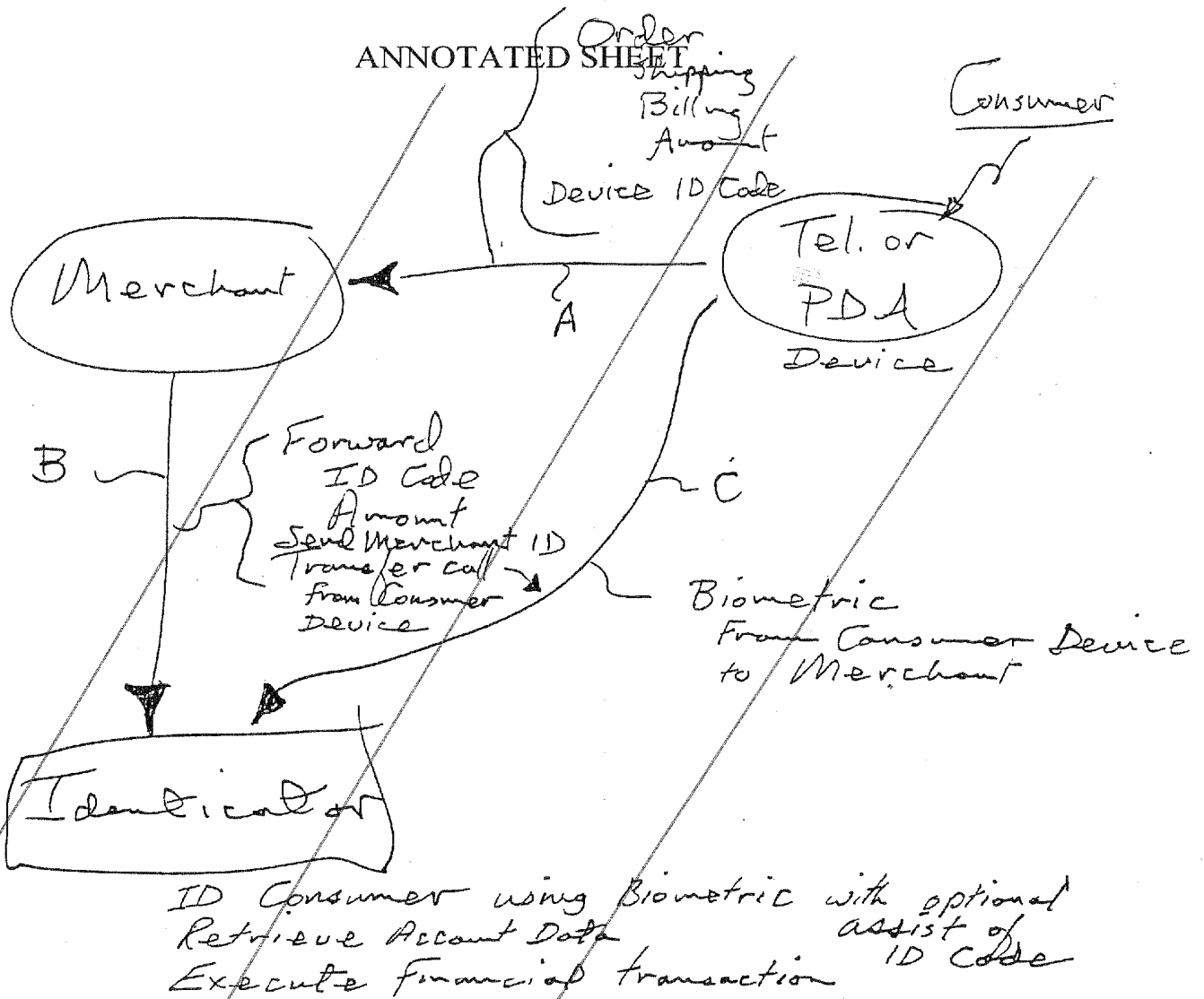


FIG. 2

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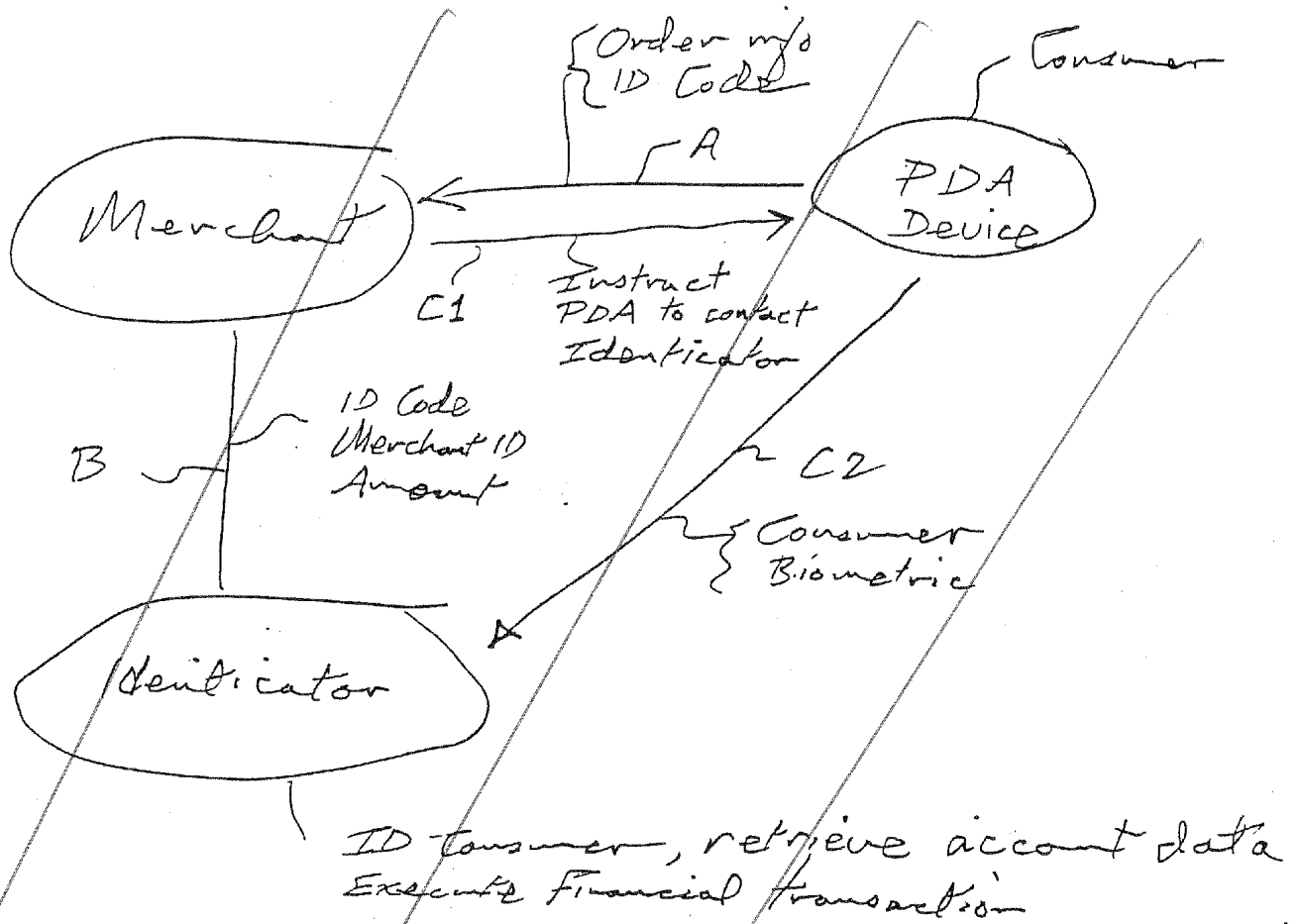


FIG. 3

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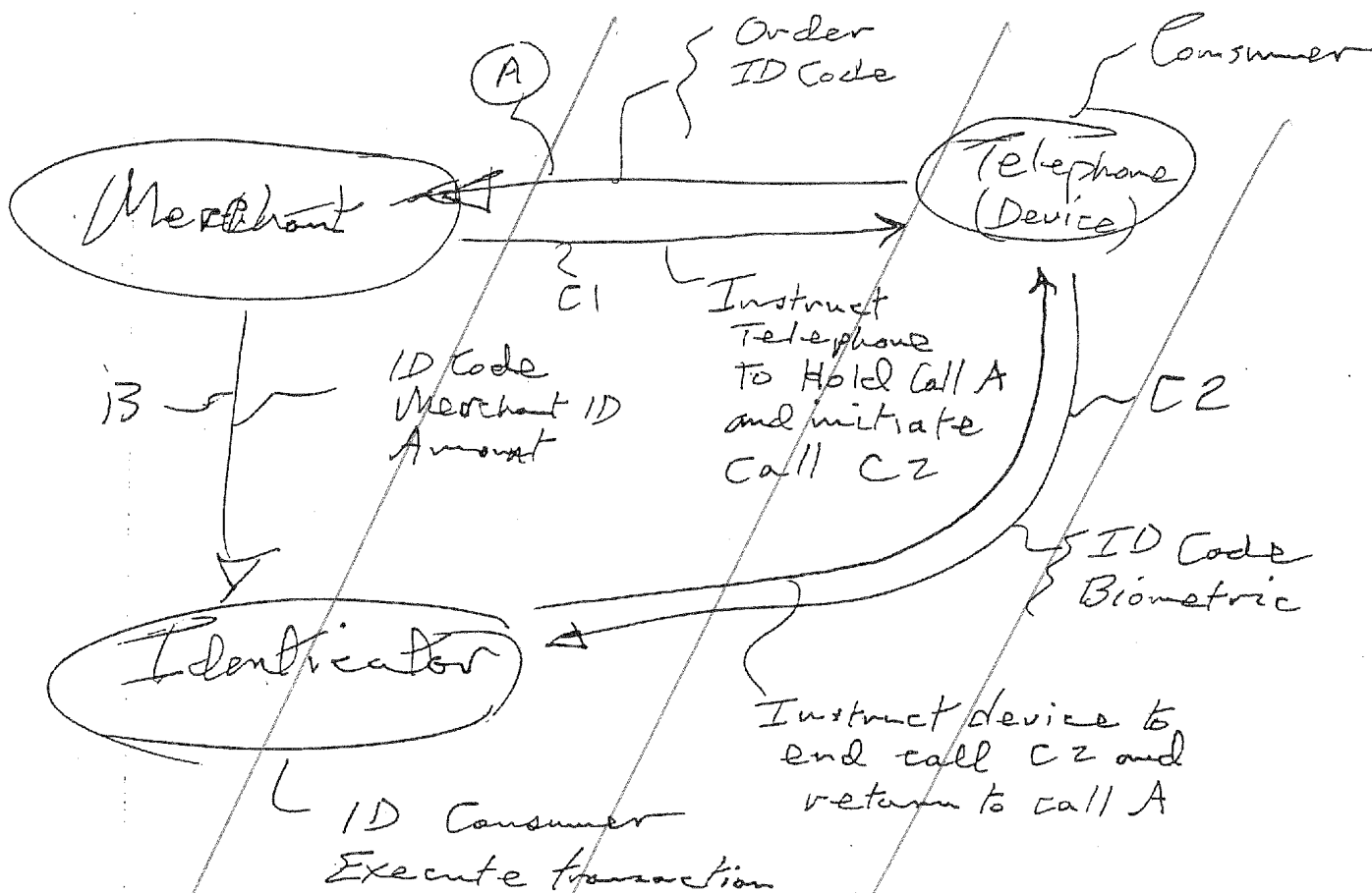


FIG 4

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